

RECORDATION NO. **23086-A** FILED

NOV 20 '00 3-46 PM
TS
SURFACE TRANSPORTATION BOARD

COHEN & GRIGSBY, P.C.

ATTORNEYS AT LAW

11 STANWIX STREET
15TH FLOOR
PITTSBURGH, PENNSYLVANIA 15222-1319

TELEPHONE (412) 297-4900
FAX (412) 209-0672

Direct Dial: (412) 297-4831
E-mail: jchiafullo@cohenlaw.com



Direct Fax: (412) 209-1825
Admitted in Pennsylvania and Texas

November 14, 2000

Ms. Taledia Stokes
Office of the Secretary
Surface Transportation Board
Section of Publication and Records
The Mercury Building, Room 700
1925 K Street, NW
Washington, DC 20423

Re: Sky Bank
Kasgro Rail Corp./Kasgro Leasing, LLC
First Amendment to Security Agreement

Dear Ms. Stokes:

I have enclosed an original and one copy of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

The primary document to which this is connected is recorded under Recordation No. 23086.

The names and addresses of the parties to the document are as follows:

Debtor: Kasgro Rail Corp
Kasgro Leasing, LLC
320 East Cherry Street
New Castle, PA 16102

Lender: Sky Bank
101 East Washington Street
New Castle, PA 16103

COHEN & GRIGSBY, P.C.

Ms. Taledia Stokes
November 14, 2000
Page 2

A description of the equipment covered by the document follows:

| <u>Unit Number</u> | <u>Car No.</u> | <u>Description</u> |
|--------------------|----------------|------------------------------|
| 232 | 70927 | 70' 230 T 8 Axle Flat Car |
| 233 | 70928 | 70' 230 T 8 Axle Flat Car |
| 234 | 70929 | 70' 230 T 8 Axle Flat Car |
| 235 | 70930 | 70' 230 T 8 Axle Flat Car |
| 236 | 70931 | 70' 230 T 8 Axle Flat Car |
| 237 | 70932 | 70' 230 T 8 Axle Flat Car |
| 238 | 70933 | 70' 230 T 8 Axle Flat Car |
| 239 | 70934 | 70' 230 T 8 Axle Flat Car |
| 240 | 70935 | 70' 230 T 8 Axle Flat Car |
| 241 | 70936 | 70' 230 T 8 Axle Flat Car |
| 242 | 70937 | 70' 230 T 8 Axle Flat Car |
| 243 | 70926 | 70' 230 T 8 Axle Flat Car |
| 244 | 70925 | 70' 230 T 8 Axle Flat Car |
| 245 | 70924 | 70' 230 T 8 Axle Flat Car |
| 246 | 70923 | 70' 230 T 8 Axle Flat Car |
| 247 | 70922 | 70' 230 T 8 Axle Flat Car |
| 248 | 70921 | 70' 230 T 8 Axle Flat Car |
| 249 | 70920 | 70' 230 T 8 Axle Flat Car |
| 250 | 70919 | 70' 230 T 8 Axle Flat Car |
| 251 | 70918 | 70' 230 T 8 Axle Flat Car |
| 252 | 70917 | 70' 230 T 8 Axle Flat Car |
| 253 | 70916 | 70' 230 T 8 Axle Flat Car |
| 254 | 70915 | 70' 230 T 8 Axle Flat Car |
| 255 | 70914 | 70' 230 T 8 Axle Flat Car |
| 256 | 70913 | 70' 230 T 8 Axle Flat Car |
| 257 | 701202 | 70' 115 T 4 Axle Flat Car |
| 258 | 701203 | 70' 115 T 4 Axle Flat Car |
| 259 | 701204 | 70' 115 T 4 Axle Flat Car |
| 260 | 701205 | 70' 115 T 4 Axle Flat Car |
| 261 | 701206 | 70' 115 T 4 Axle Flat Car |
| 262 | 27102 | 27' 235 T 8 Axle FD Flat Car |
| 263 | 27103 | 27' 235 T 8 Axle FD Flat Car |
| 264 | 370387 | 48' 370 T 12 Axle Flat Car |
| 265 | 370388 | 48' 370 T 12 Axle Flat Car |
| 266 | 370389 | 48' 370 T 12 Axle Flat Car |

COHEN & GRIGSBY, P.C.

Ms. Taledia Stokes
November 14, 2000
Page 3

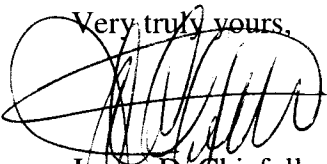
| | | |
|-----|--------|-------------------------------|
| 267 | 370390 | 48' 370 T 12 Axle Flat Car |
| 268 | 370391 | 48' 370 T 12 Axle Flat Car |
| 269 | 370392 | 48' 370 T 12 Axle Flat Car |
| 270 | 25975 | 25' 122 T 8 Axle FD Flat Car |
| 271 | 25976 | 25' 122 T 8 Axle FD Flat Car |
| 269 | 300301 | 30' 300 T 12 Axle FD Flat Car |

A fee of twenty-six dollars (\$26) is enclosed. Please return the original and any extra copies not needed by the Board for recordation to:

James D. Chiafullo, Esquire
Cohen & Grigsby, P.C.
11 Stanwix Street, 15th Floor
Pittsburgh, PA 15222-1319

A short summary of the document to appear in the index follows:

A First Amendment to Security Agreement between Kasgro Rail Corp., Kasgro Leasing, LLC, (320 East Cherry Street, New Castle, Pennsylvania 16102) and Sky Bank (101 East Washington Street, New Castle, Pennsylvania 16103) dated October 20, 2000, and covering forty-one railcars, twenty-five of which are 70' 230 T 8, five 70' 115 T 4, two 27' 235 T 8; six 48' 370 T 12, two 25' 122 T 8, and one 30' 300 T 12.

Very truly yours,

James D. Chiafullo

JDC/av
Enclosure
516191_1

FIRST AMENDMENT TO SECURITY AGREEMENT

RECORDATION NUMBER OF ORIGINAL: 23086

This First Amendment to Security Agreement is made this 20 day of October, 2000, by and among Kasgro Rail Corp., a Pennsylvania corporation, and Kasgro Leasing LLC, a Pennsylvania limited liability company, with its principal offices located at 320 East Cherry Street, New Castle, Pennsylvania 16402 ("Borrowers"); and Sky Bank, an Ohio banking association, with an office located at 101 East Washington Street, New Castle, Pennsylvania 16103 ("Bank").

RECITALS

A. The parties hereto entered into a Security Agreement dated June 22, 2000 (the "Security Agreement"), whereby Borrowers granted to Bank a security interest to certain rolling stock (the "Property").

B. The recordation number of the Security Agreement with the United States Surface Transportation Board is 23086, September 7, 2000.

C. The parties now desire to amend certain provisions of the Security Agreement.

In consideration of the covenants and agreements set forth herein and for One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, agree to amend the Security Agreement as follows:

1. Exhibit A of the Security Agreement is hereby amended to add the following rolling stock to the Exhibit:

RECORDATION NO. 23086-A FILED

NOV 20 '00

3-46 PM

SURFACE TRANSPORTATION BOARD

| <u>Unit Number</u> | <u>Car No.</u> | <u>Description</u> |
|--------------------|----------------|-------------------------------|
| 232 | 70927 | 70' 230 T 8 Axle Flat Car |
| 233 | 70928 | 70' 230 T 8 Axle Flat Car |
| 234 | 70929 | 70' 230 T 8 Axle Flat Car |
| 235 | 70930 | 70' 230 T 8 Axle Flat Car |
| 236 | 70931 | 70' 230 T 8 Axle Flat Car |
| 237 | 70932 | 70' 230 T 8 Axle Flat Car |
| 238 | 70933 | 70' 230 T 8 Axle Flat Car |
| 239 | 70934 | 70' 230 T 8 Axle Flat Car |
| 240 | 70935 | 70' 230 T 8 Axle Flat Car |
| 241 | 70936 | 70' 230 T 8 Axle Flat Car |
| 242 | 70937 | 70' 230 T 8 Axle Flat Car |
| 243 | 70926 | 70' 230 T 8 Axle Flat Car |
| 244 | 70925 | 70' 230 T 8 Axle Flat Car |
| 245 | 70924 | 70' 230 T 8 Axle Flat Car |
| 246 | 70923 | 70' 230 T 8 Axle Flat Car |
| 247 | 70922 | 70' 230 T 8 Axle Flat Car |
| 248 | 70921 | 70' 230 T 8 Axle Flat Car |
| 249 | 70920 | 70' 230 T 8 Axle Flat Car |
| 250 | 70919 | 70' 230 T 8 Axle Flat Car |
| 251 | 70918 | 70' 230 T 8 Axle Flat Car |
| 252 | 70917 | 70' 230 T 8 Axle Flat Car |
| 253 | 70916 | 70' 230 T 8 Axle Flat Car |
| 254 | 70915 | 70' 230 T 8 Axle Flat Car |
| 255 | 70914 | 70' 230 T 8 Axle Flat Car |
| 256 | 70913 | 70' 230 T 8 Axle Flat Car |
| 257 | 701202 | 70' 115 T 4 Axle Flat Car |
| 258 | 701203 | 70' 115 T 4 Axle Flat Car |
| 259 | 701204 | 70' 115 T 4 Axle Flat Car |
| 260 | 701205 | 70' 115 T 4 Axle Flat Car |
| 261 | 701206 | 70' 115 T 4 Axle Flat Car |
| 262 | 27102 | 27' 235 T 8 Axle FD Flat Car |
| 263 | 27103 | 27' 235 T 8 Axle FD Flat Car |
| 264 | 370387 | 48' 370 T 12 Axle Flat Car |
| 265 | 370388 | 48' 370 T 12 Axle Flat Car |
| 266 | 370389 | 48' 370 T 12 Axle Flat Car |
| 267 | 370390 | 48' 370 T 12 Axle Flat Car |
| 268 | 370391 | 48' 370 T 12 Axle Flat Car |
| 269 | 370392 | 48' 370 T 12 Axle Flat Car |
| 270 | 25975 | 25' 122 T 8 Axle FD Flat Car |
| 271 | 25976 | 25' 122 T 8 Axle FD Flat Car |
| 269 | 300301 | 30' 300 T 12 Axle FD Flat Car |

All of the other terms and conditions of the Security Agreement shall remain the same and shall continue in full force and effect.


IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Security Agreement the day and year first above written.

BORROWERS:

KASGRO RAIL CORP.

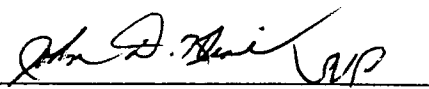
By: 
President

KASGRO LEASING LLC

By: 
President

BANK:

SKY BANK

By:  VP

ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LAWRENCE)

On this 21st day of October, 2000, before me personally appeared Gabriel Kassab, to me personally known, who being by me duly sworn, says that he is the Chief Executive Officer and President of Kasgro Rail Corp. and Kasgro Leasing, LLC, that said instrument was signed and sealed on behalf of said entities by authority of its Board of Directors or Members (as the case may be) and he acknowledged that the execution of the foregoing instrument was the free act and deed of said entities.

(SEAL)

Joan M. Phillips

Signature of Notary Public

My Commission Expires: 8-20-01

